

## HUMAN SERVICES BOARD

In re ) Fair Hearing No. M-03/09-163  
 )  
 Appeal of )

The petitioner appeals the decision by the Department for Children and Families, Health Access Eligibility Unit that he is no longer eligible for medical benefits under VHAP, and that he can only receive premium assistance under his employer's health insurance plan under CHAP. The issue is whether the petitioner's income exceeds the maximum allowable under VHAP.

1. The petitioner is a single individual who is employed. Prior to December 2008 the petitioner's income made him eligible for VHAP with a monthly premium of \$49.

2. Based on an increase in the petitioner's earnings, the Department recently notified him that effective April 1, 2009 he would no longer be eligible for VHAP, but would be switched to the managed care program maintained by his employer and would be eligible for premium assistance for that program under CHAP.

3. Under CHAP, the Department has determined that the petitioner must pay a premium of \$60 a month. His employer's insurance plan also requires more and higher copayments than he had to make under VHAP. The petitioner has chronic medical problems that require frequent lab tests and monitoring that are subject to copayments. He maintains that the recent increase in his net income is more than offset by the additional medical expenses he incurs as a result of being switched from VHAP to CHAP.

4. Ordinarily, individuals in the petitioner's situation can, without penalty, elect to voluntarily reduce their income to qualify for VHAP, thus reducing or eliminating any paradoxical net loss of income resulting from being switched to CHAP. Unfortunately for the petitioner, this option is unlikely to benefit him because his employer's insurance plan, unlike VHAP, includes significant dental benefits, which the petitioner needs.

5. The petitioner does not dispute that the Department has correctly calculated his income and applied the applicable eligibility guidelines. His appeal essentially is

for an allowance for individuals, like himself, who must make inordinate copayments due to their medical conditions.<sup>1</sup>

ORDER

The Department's decision is affirmed.

REASONS

Income eligibility for VHAP and CHAP is determined based on all earned and unearned income in the household.

Procedures Manual § 2420. Inasmuch as there is no dispute that the Department, based on information provided by the petitioner from December 2008 through March 2009, correctly determined the petitioner's income, and allowed all applicable deductions in accord with the above regulations, the Board is bound to affirm that decision. 3 V.S.A. § 3091(d), Fair Hearing Rule No. 1000.4D.

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<sup>1</sup>It can also be argued, however, that as a general matter chronically ill individuals receive disproportionately more financial benefit from any health insurance program, which copayments theoretically mitigate.